



Fondul Proprietatea – Annual General Shareholders Meeting

21 April 2023



Performance report

FONDUL
PROPRIETATEA



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Report on the Discount objective



Discount objective

Objective

- The discount between the closing price for each trading day on the BVB, of the shares issued by the Fund and the latest reported NAV per share at the date of calculation should be equal to or lower than 15% in at least two thirds of the trading days during the reporting period 1 January – 31 December 2022.

2022 monitoring

- In the period 1 January – 31 December 2022, discount was lower than 15% in 32.3% of the trading days.

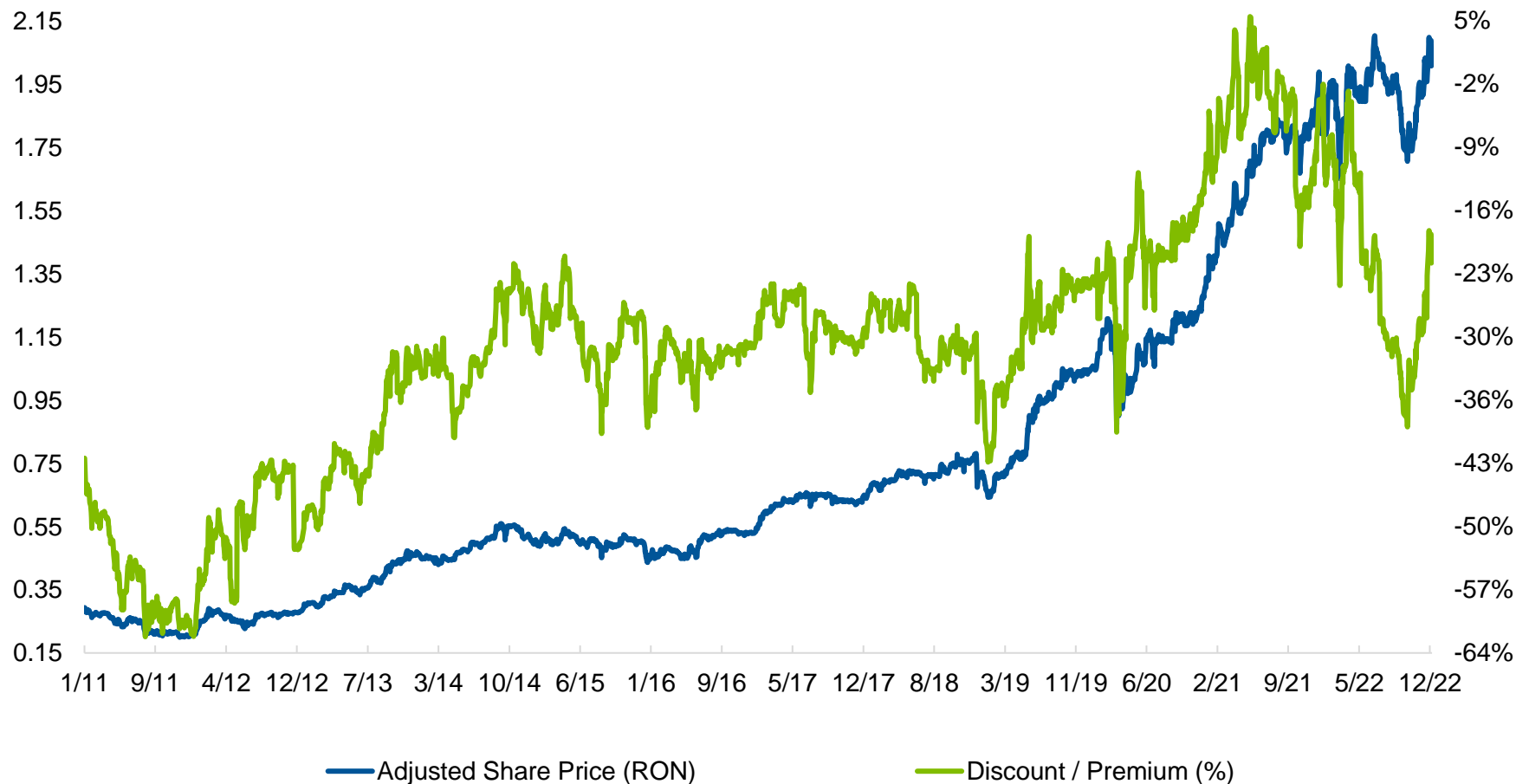
Discount evolution

Discount at the Start of the Reporting Period – 3 January 2022	Discount at the End of the Reporting Period – 31 December 2022	Average Discount for the Reporting Period 3 January – 31 December 2022	Discount Range for the Reporting Period 3 January – 31 December 2022
(3.83)%	(20.39)%	(21.60)%	(39.41)% – (2.14)%

Source: Fund Manager calculations.

Note: The discount is calculated based on the latest published NAV/share at the date of the calculation.

Share price and Discount / Premium evolution



— Adjusted Share Price (RON)

— Discount / Premium (%)

Source: BVB, Bloomberg, Fund Manager calculations.

Note: The discount/premium is calculated based on the latest published NAV available for the day of the calculation.

Measures taken

Investor Relations

Proactive investor relations program to increase the visibility of the Fund to a broader base of investors



 Distributed RON 2.28 billion to the Fund's shareholders during 1 January – 31 December 2022 via:

Dividend Distributions

Special gross dividend distribution to shareholders of **RON 351.2 million** or RON 0.06 per share – payment started on 18 February 2022.

Gross dividend distribution to shareholders of **RON 774.3 million** or RON 0.125 per share – payment started on 27 June 2022.

Buy-backs

Executed the 13th buy-back programme through daily share repurchases of up to 25% of the average daily trading volume for the last 20 trading sessions and a Tender Offer for 325 million shares. The total acquisition cost at trade price (excluding transaction costs) of the buy-back program was **RON 1,157.2 million**.

Total amount distributed

(Including buy-backs and dividend distributions) is **RON 2,282.7 million**, i.e., 15.7% of the Fund's NAV as at 31 December 2022.

Creating liquidity at the portfolio level



During 2022 the Fund also collected RON 1,781,883,964 from the disposal of the entire stake in OMV Petrom, following the 2 ABB offerings and regular market transactions on BVB.

Source: Fund's results reports.

Distributions to shareholders

RON	Distributions to shareholders in the period 1 January – 31 December 2022 (excluding related costs)	Expenses related to distributions recorded in the period 1 January – 31 December 2022 ¹	Total	% of the NAV as at 31 December 2021	% of the average market capitalization as at 31 December 2022
Buyback program 13	1,157,219,019	9,061,740	1,166,280,759	8.8%	10.5%
2022 Dividend ²	749,805,115	19,361,520	769,166,635	5.8%	6.9%
Total	1,907,024,134	28,423,260	1,935,447,394	14.6%	17.3%

Source: Fund's current reports.

1. Includes the Central Depository commission and the distribution commission invoiced by FTIS for the distribution of dividends.
2. Dividend distribution of RON 0.1250 per share approved by the Fund's shareholders during the 20 April 2022 Annual GSM, with Ex-Date on 2 June 2022, Registration Date on 3 June 2022 and Payment Date on 27 June 2022.

Share buybacks

Buyback programme

No.	Period	Status	No. of shares repurchased	Average share price (RON/share)	Acquisition cost of shares repurchased, excluding transaction costs (RON)	Broker	Cancellation of shares ¹
13 th	31 Jan – 30 Dec 2022	Finalized	549,019,085	2.1078 ²	1,157,219,018.30	Auerbach Grayson, Swiss Capital	The cancellation of shares is subject to shareholders' approval in the 21 April 2023 Annual GSM

Tender offer

No.	Subscription period	Size	Purchase price	Allocation method and Ratio	Consortium
10 th	18 May – 24 June 2022	325,000,000 shares: <ul style="list-style-type: none"> • 264,555,900 in the form of shares and • 60,444,100 shares in the form of GDRs, namely 1,208,882 GDRs 	RON 2.19 per share and the USD equivalent of RON 109.50 per GDR	Pro-rata, 0.2393196964	<ul style="list-style-type: none"> • Swiss Capital S.A. – Intermediary • Swiss Capital S.A. and Auerbach Grayson – Deal Managers • The Bank of New York Mellon – GDR Tender Agent

1. To be effective, the FSA endorsement is legally required, and the shareholders' resolution for the share capital decrease needs to be registered with the Trade Register.
 2. Based on the 549,019,085 repurchased shares (460,629,885 ordinary shares and 88,389,200 equivalent shares of the GDRs repurchased).

Investor Relations activity



Communication between the Fund Manager and investors remains our top priority as we aim to ensure that investors are informed about the latest developments and obtain feedback as we continue to focus on maximizing shareholder value

During the Reporting Period, the Fund Manager continued its efforts to increase the visibility and the profile of the Fund, as well as the local capital market, and Romania, to a broader international institutional investor base, and to keep investors and shareholders up to date on the Fund, its corporate actions, and its main portfolio holdings.



Organized 6 road-shows in the United States and the United Kingdom and met with 58 investment professionals



Participated to 9 regional and global emerging and frontier market conferences, as well as dedicated conferences for closed-end funds, where we discussed with representatives of 92 international asset managers



Organized 5 conference calls with analysts and investors on the Fund's latest updates and financial results



Held 72 additional conference calls and 21 in-person meetings with analysts, brokers, current and prospective investors interested in the latest developments regarding the Fund's corporate actions and its portfolio companies



Organized in Bucharest, in collaboration with WOOD & Co, the 25th edition of the FP Investor Days event. 76 investors from 45 investment houses, and 76 representatives from 27 Romanian and other frontier markets companies participated in 266 investor meetings organized during the conference



Report on the NAV objective

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NAV objective

Objective

- The Adjusted NAV per share as at 31 December 2022, to be higher than the NAV per share as at 31 December 2021 (RON 2.2624 per share)

2022 monitoring

- The Adjusted NAV per share at 31 December 2022 is 20.08% higher than the NAV per share at 31 December 2021

NAV Objective	Amount RON	Comments
Total NAV as at 31 December 2022	14,569,538,085	
Gross dividend distribution	774,290,893	Gross dividend distribution approved on 20 April 2022 of RON 0.1250 per share with Ex-Date 2 June 2022, Registration Date 3 June 2022 and Payment Date 27 June 2022
Costs related to buy-backs after 31 December 2021	9,249,962	Fees related to thirteenth buy-back programme after 31 Dec 2021, excluding the distribution fees for buy-backs
Distribution fees for buy-backs performed after 31 December 2021	27,866,008	Distribution fees for buy-backs, after 31 December 2021
Distribution fees for cash distributions (return of capital/ dividend) after 31 December 2021	19,321,869	Distribution fee for dividend distributions
Costs related to the returns of capital and dividends after 31 December 2021	84,067	Fees charged by the Central Depository and Paying Agent for the payments performed for dividends
Total Adjusted NAV as at 31 December 2022	15,400,350,883	
Number of Fund's paid shares, less treasury shares and GDRs held as at 31 December 2022	5,668,806,128	
Adjusted NAV per share as at 31 December 2022	2.7167	
NAV per share as at 31 December 2021	2.2624	
Difference	0.4543	
%	20.08%	

Source: Fund Manager calculations.

Note: The adjusted NAV for a given date is calculated as the sum of: (1) the reported NAV as at the end of the reporting period, (2) any distributions to shareholders, being either dividend or non-dividend ones (i.e. in this case following reductions of the par value of the shares and distribution of the decreasing amount to shareholders) implemented after the end of the previous reporting period, and (3) any distribution fees (as defined in the IMA), and any transaction costs and/or distribution costs relating to either dividend or non-dividend distributions including buy-backs of shares and/or GDRs, and/or depository interests executed through daily acquisitions or public tenders, after the end of the previous Reporting Period. The adjusted NAV per share is equal to the adjusted NAV divided by the total number of the Fund's paid shares, less treasury shares (FP ordinary shares bought back) and less equivalent in FP ordinary shares of FP GDRs acquired and not yet converted into FP ordinary shares, on the last day of the reporting period.

Attribution to NAV Performance for the period 1 January – 31 December 2022



Top Performers



Bottom Performers

Company	Status	Weight in total NAV ¹	Change in NAV performance	Change in NAV per share (RON)	% Change in share price / NAV per share
Hydroelectrica SA	Unlisted	76.5%	25.56%	0.5782	30.7%
Societatea Nationala a Sarii SA	Unlisted	1.9%	0.65%	0.0147	26.3%
CN Aeroporturi Bucuresti SA	Unlisted	4.9%	0.29%	0.0066	5.8%
Posta Romana SA	Unlisted	0.1%	0.06%	0.0013	56.1%
Zirom SA	Unlisted	0.2%	0.02%	0.0005	38.6%
OMV Petrom SA	Listed	0.0%	(1.12)%	(0.0252)	Sold in Dec 2022
Engie Romania SA	Unlisted	3.0%	(0.62)%	(0.0140)	(15.7)%
Enel Energie SA	Unlisted	0.1%	(0.30)%	(0.0067)	(64.6)%
Enel Energie Muntenia SA	Unlisted	0.0%	(0.25)%	(0.0057)	(100.0)%
E-Distributie Banat SA	Unlisted	1.5%	(0.24)%	(0.0055)	(13.1)%
TOTAL NAV PER SHARE CHANGE				0.3077	13.6%

Note: The amounts are adjusted with the dividends declared by the companies, according with FP accounting policy.

1. 31 December 2022 NAV report.



Fund Information

Key Facts



Fund Details

31 March 2023 NAV	RON	USD
Total NAV	14.00 bn	3.08 bn
NAV/Share	2.5823	0.5680
Key trading figures as at 20 April 2023		
Price/Share	2.0950	0.4659
Price/GDR	102.52	22.80
Market Capitalization ¹	11.28 bn	2.51 bn
(Discount)/Premium per Share	(18.87)%	
(Discount)/Premium per GDR	(19.72)%	
2022 FY Dividend ²		
Dividend / share (RON)	0.05	
Dividend yield ³	2.39%	



Adjusted Share Price (RON) vs. Discount/Premium (%)



Source: FP March 2023 Factsheet, BVB and Bloomberg, NBR for the RON/USD FX rate, Fund Manager calculations.

Note 1: The discount/premium is calculated based on the latest published NAV available for the day of the calculation.

Note 2: The USD values are calculated based on the NBR FX as at the day of the calculation.

1. Excluding Treasury shares and the equivalent number of shares corresponding to the GDRs repurchased as at 20 April 2023.

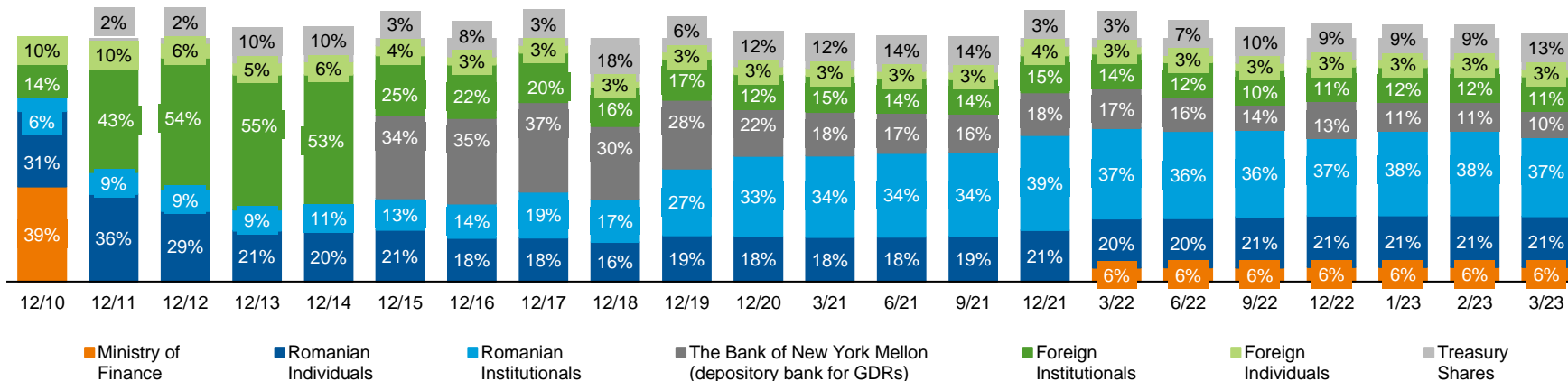
2. Gross dividend distribution submitted for shareholders' approval in the 21 April 2023 Annual GSM.

3. Based on FP share price as at 20 April 2023.

Shareholder structure



Evolution (% Held)¹



Largest Shareholders²

NN Private Pension Funds	11.24%
Ministry of Finance	5.97%
Allianz-Tiriac Private Pension Funds	5.05%
Metropolitan Life Private Pension Fund	5.01%
Silver Point Capital Funds	4.89%

Total Number of Shareholders³ 17,723

All treasury shares repurchased by the Fund are being cancelled on a regular basis.

1. Note: Based on the paid share capital starting December 2011. Source: FP shareholder structure reports.

2. Based on the total voting rights as declared by shareholders through the ownership disclosures submitted on: 12 April 2023 by Metropolitan Life Private Pension Fund, 5 April 2023 by Silver Point Capital Funds, 11 April 2022 by NN Private Pension Funds, 1 April 2022 by Ministry of Finance, and 1 July 2019 by Allianz-Tiriac Private Pension Funds.

3. Source: FP shareholder structure report as at 31 March 2023.

NAV, Share price and GDR Performance



Cumulative Performance¹

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD ²	Since Performance Inception ²
NAV (RON)	(0.5)%	8.9%	13.3%	1.4%	(0.6)%	7.3%	13.1%	19.9%	31.2%	2.2%	47.8%	19.1%	0.5%	327.5%
Share Price (RON)	(30.3)%	38.3%	61.3%	14.5%	(4.1)%	4.9%	21.5%	9.9%	49.1%	37.8%	48.5%	12.2%	3.2%	675.3%
GDR (USD)	N/A	N/A	N/A	N/A	N/A	1.2%	35.9%	(1.9)%	41.4%	48.5%	42.0%	3.9%	6.5%	259.4%



Average Discount to NAV

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD ³	Current ³
Share Price	(55.7)%	(50.1)%	(40.7)%	(30.9)%	(29.1)%	(32.1)%	(28.1)%	(29.5)%	(29.4)%	(21.1)%	(5.7)%	(21.6)%	(18.9)%	(18.9)%
GDR	N/A	N/A	N/A	N/A	(29.6)%	(30.0)%	(27.0)%	(29.8)%	(30.7)%	(21.7)%	(7.6)%	(22.4)%	(18.9)%	(19.7)%

Source: BVB, Bloomberg, FP Factsheets.

Note: The discount/premium is calculated based on the latest published NAV available for the day of the calculation.

The Performance Inception date for the NAV is 31 December 2010, for the Share Price is 25 January 2011, and for the GDRs is 29 April 2015.

1. Dividend adjusted.

2. As at 31 March 2023.

3. As at 20 April 2023.



Portfolio

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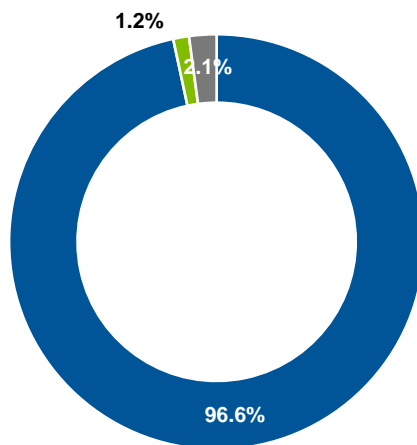
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Portfolio Structure



Listed vs Unlisted

(% of NAV as at 31 March 2023)¹

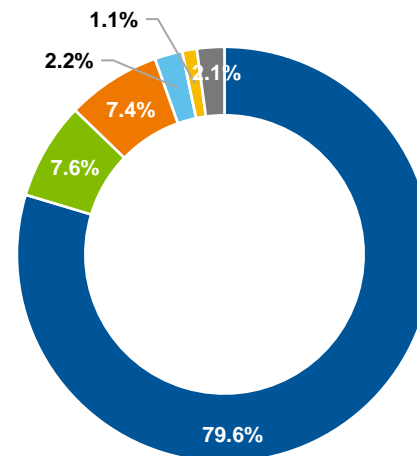


■ Unlisted ■ Listed ■ Net Cash & receivables



By Sector

(% of NAV as at 31 March 2023)¹



■ Power Utilities: Generation ■ Heavy industry
 ■ Infrastructure ■ Others
 ■ Power & Gas Utilities: Distribution & Supply ■ Net Cash & Receivables

- As at 31 March 2023, the portfolio included stakes in 31 companies (5 listed and 26 unlisted).
- The net cash and receivables as at 31 March 2023 was USD 65.8 million².

1. Source: FP March 2023 Factsheet.

2. Source: 31 March 2023 NAV report, based on the NBR RON/USD FX rate as at 31 March 2023.

Largest Holdings by NAV

Portfolio Company	Status	Majority Shareholder	% FP Stake ¹	NAV as at 31 March 2023 (USD mn)	% in NAV as at 31 March 2023
Hydroelectrica	Unlisted	Romanian State	19.9%	2,452.3	79.6%
Bucharest Airports	Unlisted	Romanian State	20.0%	156.8	5.1%
Engie Romania	Unlisted	Engie	12.0%	96.9	3.1%
Constanta Port	Unlisted	Romanian State	20.0%	62.2	2.0%
Salrom	Unlisted	Romanian State	49.0%	60.2	2.0%
E-Distributie Banat	Unlisted	Enel Group	24.1%	46.8	1.5%
E-Distributie Muntenia	Unlisted	Enel Group	12.0%	40.5	1.3%
E-Distributie Dobrogea	Unlisted	Enel Group	24.1%	37.5	1.2%
Top Portfolio Holdings				2,953.3	95.9%
Net Cash and Receivables				65.8	2.1%
Total NAV				3,079.3	
NAV Per Share (USD)				0.5680	

Source: FP March 2023 Factsheet.

Note: Values in USD calculated using the NBR RON/USD FX rate as at 31 March 2023.

1. Based on the FP 31 December 2022 Detailed Statement of Investments.

Largest Holdings by NAV – Net result evolution

Top Holdings ¹	Net Profit (RON mn)					
	2017	2018	2019	2020	2021	2022 (prelim.)
Hidroelectrica	1,296.5	1,939.3	1,386.5	1,443.2	3,085.6	4,006.9 ²
Bucharest Airports	290.7	371.8	359.6	(146.4)	34.0	215.7 ³
Engie Romania	342.6	428.7	385.2	492.8	69.9	n.a.
Constanta Port	79.7	75.7	108.2	130.3	130.5	117.0 ³
Salrom	81.1	76.4	77.0	11.5	60.2	141.7 ⁴
E-Distributie Banat	82.8	(211.9)	167.7	38.6	(33.3)	n.a.
E-Distributie Muntenia	85.9	(114.9)	96.7	111.8	55.8	n.a.
E-Distributie Dobrogea	49.5	(143.3)	87.6	53.7	11.5	n.a.
Total	2,308.8	2,421.8	2,668.5	2,135.5	3,414.2	4,481.3

Source: Companies' annual consolidated financial statements.

1. As at 31 March 2023. Source: FP March 2023 Factsheet.
2. Based on preliminary Hidroelectrica's management data, on an individual basis.
3. Preliminary unaudited figures, as reported in 2023 Budget.
4. Preliminary unaudited figures.

Hidroelectrica – Update (I)

	2021	Prelim. 2022	% y.o.y.
Financial results (RON mn)			
Operating revenues	6,501.3	9,121.1	40.3%
Operating result	3,478.0	4,762.0	36.9%
EBITDA	4,668.6	5,853.7	25.4%
Net profit	3,019.5	4,006.9	32.7%
Operational results			
Total electricity sold (TWh)	17.11	14.33	(16.2)%
Electricity sold out of own production (TWh)	16.51	13.25	(19.7)%
Average realised electricity selling price (RON/MWh)	339.2	560.0	65.1%

2022 preliminary results

- According to management, on a stand-alone basis, the company registered in 2022 total costs with:
 - **windfall tax** of **RON 557.1 mn** versus RON 113.2 mn in 2021,
 - **turbined water** of **RON 451.0 mn, down 16.5% y.o.y.**, driven by lower electricity production volume.
- At the end of December 2022:
 - the **cash and equivalents** position stood at **RON 4.13 bn**
 - the **total interest-bearing debt** amounted to **RON 498.4 mn**, compared to RON 579.3 mn as at the end of December 2021.
- Over the period, **operating cash-flow** amounted to **RON 4,511.7 mn**, versus RON 3,952.9 mn during 2021.
- **CAPEX** carried out by the company in 2022 amounts to **RON 194.1 mn** versus RON 829.3 mn in 2021 (out of which RON 635.2 mn was related to the acquisition of Crucea Wind Park).

Source: Hidroelectrica 2021 annual financial results and 2022 preliminary data, based on an individual basis, as provided by the management.

Hidroelectrica – Update (II)



Corporate governance

- On March 28, 2023, shareholders appointed a new Supervisory Board with a 4-year mandate. Out of the seven board appointments Mr. George Niculescu, Mr. Silviu Avram and Mr. George Toniuc are acting for the first time as board members on the Supervisory Board of Hidroelectrica while Mr. Mihai Mihalache, Ms. Carmen Radu, Mr. Karoly Borbely and Mr. Daniel Naftali have been re-appointed.
- Starting with April 7, 2023, all five members of the Directorate: Mr. Bogdan Badea, Mr. Andrei Gereea, Mr. Marian Bratu, Mr. Razvan Pataliu and Mr. Cristian Vladoianu were reappointed on an interim basis for a 4 months period.
- Following a court case initiated in 2020 by an employee of the company, the Bucharest Court annulled in April 2022, the recruitment procedure and the selection process that was carried out by the company during 10 April – 4 June 2019, for the selection of the 5 members of the Directorate. According to the decision, the company is obliged to issue a new decision for a new recruitment process. The appeal filed by Hidroelectrica was rejected by the Bucharest Court of Appeal in a ruling issued in March 2023.



IPO

- The Fund, Hidroelectrica, and the consortium of investment bank are conducting intensive work to complete the IPO process in 2023.
- The Romanian State committed in PNRR to the listing of Hidroelectrica by the end of H1 2023.

Source: Hidroelectrica GSM decisions, Hidroelectrica reports.

OMV Petrom – Accelerated Bookbuild Offering



Details	1 st ABB	2 nd ABB
Announcement of the ABB	19-Jan-2022	13-Dec-2022
No. of shares sold	2,275,000,000	1,777,067,726
Selling price	0.43 RON/ share	0.43 RON/ share
Trade date	20-Jan-2022	14-Dec-2022
Settlement date	26-Jan-2022	16-Dec-2022

Erste Group Bank AG and SSIF Swiss Capital SA acted as Joint Global Coordinators and Joint Bookrunners, and Banca Comerciala Romana SA and Auerbach Grayson and Company LLC acted as Joint Bookrunners for both transactions.

Following the completion of the two ABB offerings the Fund liquidated its entire holding in OMV Petrom SA.

Source: Fund Manager current reports.

Bucharest Airports – Update

Financials	2016	2017	2018	2019	2020	2021	Prelim. 2022	% y.o.y.
Operating revenues (mn RON)	754.7	890.9	992.6	1,066.6	405.6	578.0	999.5	72.9%
Operating result (mn RON)	263.6	337.6	445.9	399.0	(175.3)	40.8	280.1	586.5%
Net Income / Loss (mn RON)	224.7	290.7	371.8	359.6	(146.4)	34.0	215.7	534.4%
Number of passengers (mn)	10.99	12.84	13.84	14.73	4.47	6.92	12.61	82.2%

- In Q4 2022, traffic was **down by 8%** compared to Q4 2019, which was at a **historical peak** and just before the start of the pandemic.
- Overall **traffic in 2022** reached **12.6 mn** passengers, **14%** below pre-pandemic levels.
- Traffic recovery led to improved financial results, preliminary 2022 results showing a net profit of RON 215.7 mn, **up six times** compared to 2021.

Source: CN Aeroporturi Bucuresti IFRS financial statements, Bucharest Airports traffic reports, 2023 Budget.

Constanta Ports – Update

Financial performance	2016	2017	2018	2019	2020	2021	Prelim. 2022	% y.o.y.
Operating revenues (RON mn)	314.0	330.5	345.2	369.0	398.8	418.9	493.3	17.8%
Operating profit (RON mn)	54.8	93.8	95.8	117.0	145.9	140.6	128.6	(8.5)%
Net Income (RON mn)	36.8	79.7	75.7	108.2	130.3	130.5	117.0	(10.3)%
Total traffic (thousands tons)	59.4	58.4	61.3	66.6	60.4	67.5	75.6	12.0%

- In **2022 traffic volumes** reached an **all-time high** of **75.6 mn tons**, including one-off traffic triggered by the war in Ukraine (approximately 11.85 mn tons).
- The management estimates that while **revenues** also jumped by **24%**, profitability slightly deteriorated to RON 117 mn.

Source: Constanta Port financial statements and annual report, management estimates, 2023 Budget.

Salrom – Update

Financial performance	2016	2017	2018	2019	2020	2021	Prelim. 2022	% y.o.y.
Operating revenues (RON mn)	312.4	394.1	436.9	469.2	300.2	374.5	521.0	39.1%
Operating profit (RON mn)	36.3	107.3	93.5	84.6	15.8	70.1	144.9	106.7%
Net Income (RON mn)	27.4	81.1	76.4	77.0	11.5	60.2	141.7	135.4%

- **Corporate Governance:** In January 2023, shareholders approved the re-launch of the selection process for Board members based on GEO no. 109 / 2011, with the selection procedure being conducted at the level of the Ministry of Economy.
- **IPO:** The Fund and Salrom continue to prepare for an IPO during 2023.

Source: Salrom financial statements and annual report, management estimates, 2023 Budget submitted for shareholders' approval.

ENEL companies – Update

	E-Distributie Banat	E-Distributie Muntenia	E-Distributie Dobrogea
Sector	Power & Gas Utilities: distribution		
Type	Unlisted		
Weight in NAV ¹	1.5%	1.3%	1.2%
FP NAV Value ²	RON 212.9 mn (USD 46.8 mn)	RON 183.9 mn (USD 40.5 mn)	RON 170.4 mn (USD 37.5 mn)
Fondul Proprietatea's Holding ²	24.1%	12.0%	24.1%

	Enel Energie	Enel Energie Muntenia
Sector	Power & Gas Utilities: supply	
Type	Unlisted	
Weight in NAV ²	0.1%	0.0%
FP NAV Value ²	RON 21.6 mn (USD 4.8 mn)	-
Fondul Proprietatea's Holding ²	12.0%	12.0%

- **Sale process³:** The Fund and the Greek company Public Power Corporation S.A. have concluded on 19 April 2023 an agreement for the sale of all the equity stakes held by the Fund in E-Distributie Muntenia S.A., Enel Energie Muntenia S.A., E-Distributie Dobrogea S.A., E-Distributie Banat S.A., and ENEL Energie S.A. (the “SPA”), in exchange for a total consideration of RON 650,000,000. The completion of the sale under the SPA is subject, among others, to the closing of the transaction between Enel and PPC.

1. Source: March 2023 Factsheet, NBR RON/USD FX rate as at 31 March 2023.

2. 31 December 2022 Detailed Statement of Investments.

3. Source: Fund Manager current reports.



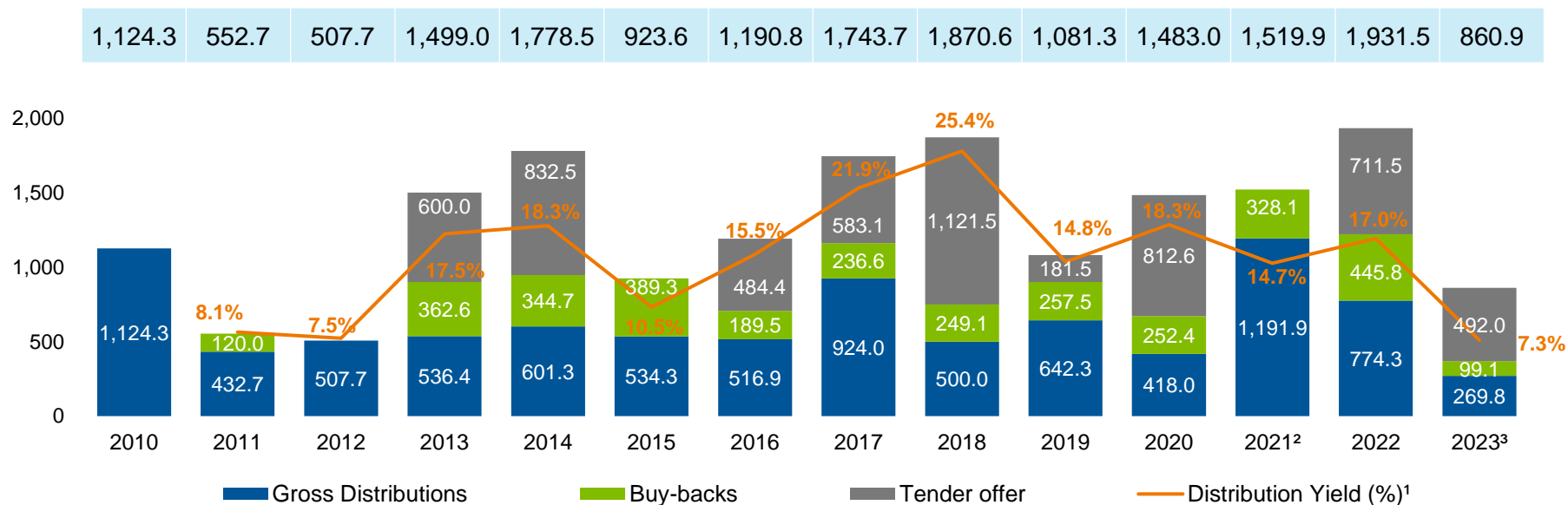
Corporate Actions



Distributions to Shareholders



Annual Distributions to Shareholders (RON mn)



The total distributions through buy-backs and cash would amount to RON 18.1 bn / USD 4.7 bn⁴

Source: Fund Manager calculations, Fund Manager annual results reports, Fund Manager current reports.

Note: Values exclude related acquisition fees. USD values based on the NBR average USD/RON FX for each year. For 2023, average RON / USD FX as at 20 April.

1. Based on the total annual distributions through buy-backs and cash, the average closing share price on BVB for the respective year, and the average number of paid shares excluding Treasury shares at year-end. For 2023: average closing share price as at 20 April and average number of paid shares excluding Treasury shares as at 20 April.
2. 2021 Gross distributions figure refers to the 3 special gross distributions approved during the year.
3. Fund Manager estimations based on buy-backs as at 20 April, RON 0.05 per share dividend distribution proposed for shareholders' approval during the 21 April 2023 Annual GSM, and number of paid shares excluding Treasury shares as at 20 April.
4. As at 20 April 2023, average NBR RON/USD FX as at 20 April 2023.

Cash distribution recommendation for 2022 FY



Main dates related to the proposed gross cash distribution

11 May 2023 as the Ex – Date

12 May 2023 as the Registration Date

6 June 2023 as the Payment Date

- Considering the provisions of the Annual Cash Distribution Policy, the available cash balance and the ongoing DCM measures, the Fund Manager proposes to shareholders for their approval, a cash distribution of **RON 0.05 per share**.
- **The Sole Director intends to use any cash inflows related to portfolio events occurring during 2023 to further implement the DCM techniques set out in the Fund's Investment Policy Statement such as by funding the buyback programme, as approved by the Fund's shareholders, and / or by proposing to shareholders the payment of a potential dividend(s) (subject to market conditions and any restrictions under Romanian legal or tax regulations and to required shareholders' approval).**
- **The above-mentioned DCM techniques will be separate from any distributions resulted from the ongoing listing projects.**

Source: 21 April 2023 Annual GSM documentation, Fondul Proprietatea Annual Cash Distribution Policy, Fondul Proprietatea Investment Policy Statement.

Cash distributions to shareholders

Distribution	Financial year	Paid in	Gross Cash distribution (RON/share)	Net Cash distribution (RON/share)
Dividend	2008-2009 (aggregate)	2010	0.08160	0.06854
Dividend	2010	2011	0.03141	0.02638
Dividend	2011	2012	0.03854	0.03237
Dividend	2012	2013	0.04089	0.03435
Return of Capital	-	2014	0.05000	0.05000
Return of Capital	-	2015	0.05000	0.05000
Return of Capital	-	2016	0.05000	0.05000
Special Distribution	-	2017	0.05000	0.05000
Return of Capital	-	2017	0.05000	0.05000
Dividend	2017	2018	0.06780	0.06441
Dividend	2018	2019	0.09030	0.08579
Dividend	2019	2020	0.06420	0.06099
Special Dividend	-	Starting 22 June 2021	0.07200	0.06840
Special Dividend	-	Starting 27 August 2021	0.07000	0.06650
Special Dividend	-	Starting 18 February 2022	0.06000	0.05700
Dividend	2021	Starting 27 June 2022	0.12500	0.11875
Dividend¹	2022	Starting 6 June 2023	0.05000	0.04600
Total			1.04174	0.97948

Source: FP GSM Resolutions, Fund Manager calculations.

Note: Values resulted after applying the standard Romanian dividend withholding tax rate (amounting to 16% for the 2010 – 2013 dividend distributions, 5% for the 2018 – 2022 dividend distributions and 8% for the 2023 dividend distributions) to the value of the Gross Cash Distribution per Share. Shareholder could benefit from a reduced dividend withholding tax rate or tax exemption, if either Double Taxation Treaty provisions or a specific Romanian tax law exemption was applicable. The tax treatment of cash distributions resulting from a share capital decrease is uncertain under the Romanian tax law. Based on our understanding of Romanian tax law, we are of the opinion there are good arguments to assume that the cash distribution is not subject to Romanian withholding tax.

1. Dividend proposal submitted for shareholders' approval during the 21 April 2023 Annual GSM.

Buy – back programs

Program	Period	Status	No. of shares (to be) repurchased / % of the Fund's issued share capital	Average share price (RON / share)	Broker	Cancellation of shares ¹
13 th	Jan – Dec 2022	Finalized	549.02 mn / 8.83%	2.1078 ²	Auerbach Grayson, Swiss Capital	The cancellation of shares is submitted for shareholders' approval during the 21 April 2023 Annual GSM
14 th	Jan – Dec 2023	Ongoing	3.50 bn / 56.29%	2.1726 ³	Auerbach Grayson, Swiss Capital	The cancellation of shares will be subject to shareholders' approval in 2024

Source: Fund Manager current reports, Fund Manager calculations.

1. To be effective, the FSA endorsement is legally required, and the shareholders' resolution for the share capital decrease needs to be registered with the Trade Register.
2. As at 31 December 2022. Based on the 549,019,085 shares repurchased (460,629,885 ordinary shares and 88,389,200 equivalent shares of the GDRs repurchased).
3. As at 20 April 2023. Based on the 272,049,483 shares repurchased (166,156,233 ordinary shares and 105,893,250 equivalent shares of the GDRs repurchased).

Total dividend income from portfolio companies

RON	FP Net Dividend									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Dividends from Listed Companies (mn)	373.9	538.6	251.5	36.0	148.1	199.6	223.0	200.2	117.0	127.7
Total Dividends from Unlisted Companies (mn)	275.8 ¹	143.5	315.9	315.2	404.5	366.9	710.0	1,007.9	532.0	800.5
Total Annual Dividend Income (mn)	649.7	682.1	567.4	351.2	552.6	566.5	673.7	525.0	398.1	656.2
Total Special Dividend Income (mn)	–	–	–	–	185.2	199.5	259.3	683.1	250.9	272.0
Total Dividends (mn)	649.7	682.1	567.4	351.2	737.8	766.0	933.0	1,208.1	649.0	928.2
Dividend / Distribution per Share	0.0500	0.0500	0.0500	0.0500	0.0678	0.0903	0.0642	0.2020⁹	0.1250	0.0500¹²
Share Price	0.7640 ²	0.8130 ³	0.7200 ⁴	0.9180 ⁵	0.8990 ⁶	1.0150 ⁷	1.1850 ⁸	1.8520 ¹⁰	1.9880 ¹¹	2.0950 ¹³
Dividend / Distribution Yield	6.54%	5.84%	6.94%	8.76%	7.54%	8.90%	5.42%	11.02% ¹⁰	6.29% ¹¹	2.39% ¹³

Source: Fund Manager calculations, portfolio companies' GSM decisions for approving dividend payments.

Note: The Fund Manager's dividend proposals are calculated based on the Fund's Annual Cash Distribution Policy.

1. Includes dividends from Romgaz and Nuclearelectrica, which were unlisted at that time.

2. As at 30 April 2014.

3. As at 29 May 2015.

4. As at 9 June 2016.

5. As at 6 June 2017.

6. As at 11 June 2018.

7. As at 10 June 2019.

8. As at 10 June 2020.

9. Includes the three special dividends distributions approved in 2021 by shareholders.

10. Average share price based on the share price as at the Registration dates for the three special dividend distributions approved in 2021. Dividend yield calculated as total dividend yield for the three special dividend distributions approved in 2021.

11. As at 3 June 2022.

12. Gross dividend distribution submitted for shareholders' approval in the 21 April 2023 Annual GSM.

13. Based on FP share price as at 20 April 2023.



Financial results

Independent Auditor Report (Extract)



Report on the Audit of the Financial Statements

Ernst & Young Assurance Services SRL

Opinion

We have audited the financial statements of Fondul Proprietatea S.A. (the Fund) with official head office in 76-80 Buzesti Street, District 1, Bucharest, Romania, identified by sole fiscal registration number 18253260, which comprise the statement of financial position as at December 31, 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with the Financial Supervisory Authority ("FSA") Norm no. 39/ 2015, regarding the approval of the accounting regulations in accordance with International Financial Reporting Standards ("IFRS"), applicable to the entities authorised, regulated and supervised by the FSA from Financial Investments and Instruments Sector, with all subsequent modifications and clarifications.

Note: the full Independent Auditor Report related to the financial statements of the Fund for the year ended 31 December 2022 is available on the Fund webpage at the following link:
<https://www.fondulproprietatea.ro/home/investor-relations/rezultate-financiare/annual-reports.html>

Statement of Financial Position

RON mn	31 December 2022	31 December 2021
	Audited	Audited
Cash and current accounts	73.8	68.2
Deposits with banks	912.6	347.4
Government bonds	—	77.1
Equity investments	13,696.6	12,577.7
Non-current assets held for sale	—	1,135.2
Other assets	0.6	0.3
Total assets	14,683.6	14,205.9
Payables	27.3	38.8
Other liabilities	86.8	409.6
Total liabilities	114.1	448.4
Total equity	14,569.5	13,757.5
Total liabilities and equity	14,683.6	14,205.9

Source: 2022 Annual results report.

Statement of Comprehensive Income

RON mn	2022 Audited	2021 Audited
Net unrealised gain/ (loss) from equity investments at fair value through profit or loss	1,961.5	4,455.7
Gross dividend income	934.9	655.1
Net gain/ (loss) from other financial instruments at fair value through profit or loss	250.2	(4.5)
Net realised loss from non-current assets held for sale	(157.0)	—
Net realised loss from equity investments at fair value through profit or loss	(117.7)	—
Interest income	25.1	13.7
Other income, net ¹	4.4	5.4
Net operating income	2,901.4	5,125.4
Administration fees recognised in profit or loss	(79.4)	(84.0)
Other operating expenses	(45.8)	(22.6)
Operating expenses	(125.2)	(106.6)
Finance costs	(0.1)	(0.1)
Profit/ (Loss) before income tax	2,776.1	5,018.7
Withholding tax on the dividend income	(6.7)	(6.1)
Profit/ (Loss) for the year	2,769.4	5,012.6
Other comprehensive income	—	—
Total comprehensive income for the year	2,769.4	5,012.6

Source: 2022 Annual results report.

1. Other income, net included mainly the net foreign exchange gain/(loss), annual income from the depositary bank of the Fund's GDRs and other operating income/(expenses).

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Thank You 



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